(b) Does not arise;

(c) This legal issue had been settled by decisions of the Bombay High Court, and the decisions have been accepted by the Government. Government will examine further a recent decision reported to have been given by the Bombay High Court on this matter.

Malpractices in Money colections for Teak Wood Plantation

956. SHRI JOHN F. FERNANDES: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that certain companies collected crores of rupees from the share holders in the name of desert gold plantation of teak trees without the companies holding any land for the purpose;

(b) if so, whether these cultivation companies are controlled by S.E.B.I.; and

(c) if not, what action is contemplated to safeguard the share holders, interests and penalised such fraudulant companies from cheating the public?

THE MINISTER OF THE STATE IN THE MINISTRY OF FINANCE AND MINITER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) (a) Yes, Sir.

(b) No, Sir. The matter is outside SEBI's direct jurisdiction.

(c) On being concerned with these developments, Securities and Exchange Board of India (SEBI) made a suo moto reference to the Department of Company Affairs inviting their attention and requesting them to take possible action. However, the Department of Company Affairs considered that raising of money for such schemes by companies can neither be considered a loan or deposit attracting the provisions of the Companies Act and onsequently the Department made a reference to the Monopolies and Restrictive Trade Practices Commission (MRTPC). The MRTPC have reported that investigation is in progress on alleged false claims and mispre-presentations.

SEBI is also examining whether the certificate issued by these companies may fall under the definition of 'securities' under section 2(h) of the Securities Contract (Regulations) Act and if so whether SEBI could issue guidelines under section 11 of the SEBI Act for protecting the interest of investors.

Creation of Market Stabilising fund for cigarette

957. DR. YELAMANCHILI SIVAJI; Win the Minister of FLNANCE be pleased to state;

(a) whether it is a fact that Minister of Commerce had suggested to the Ministry of Finance for imposing 1 percent levy on the sales of cigarettes and to create the same as market stablising fund; and

(b) if so, when and what steps have been taken by Ministry of Finance in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) The suggestion is being looked into.

Rise in the prices of essential commodi-ties

958. SHRI RAM NARESH YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether Government have made any study of the new fiscal policies after their implementation;

(b) whether it is a fact that prices have increased enormousb, during the last two years following the implementation of these policies;

(c) if so, what is the percentage of increase in the prices of common, consumer commodities (soaps, fruits) during the last two years; and